

Forms W-2 Magnetic Media Specifications

Handbook

for Tax Year 2007

MASSACHUSETTS W-2 DATA FOR TAX YEAR 2007

Important - Directive 07-02 Information:

Any employer filing 50 or more forms W-2 must submit the file in a "machine-readable form". The term "machine-readable form" includes file uploads through Webfile for Business, electronic data transfer, and 18-track 3480 tape cartridge (9-track will be accepted, but are not a preferred method). DOR will no longer accept W-2 information on diskette. These files are due by March 31, 2008.

Directive 97-1, which eliminated the Department's filing requirements for employers below the threshold for filing W-2s in a machine-readable form, is hereby repealed. As a result, all employers below the mandated machine-readable filing threshold and filing 49 or less W-2s must file forms W-2 with the Department of Revenue, either electronically or on paper. Paper copies of forms W-2 must be accompanied by reconciliation forms M-3 or M-3M and must be filed on or before February 28, 2008. Reconciliation forms M-3 and M-3M and filing instructions are available at the Department's website, www.mass.gov/dor or the Department will mail paper copies upon request.

If you file in a "machine-readable form", forms M-3 and M-3M do not have to be sent to the Department of Revenue.

General Information

The Massachusetts Department of Revenue (DOR) has based this Tax Year 2007 W-2 handbook on the Social Security Administration (SSA) Specifications for Filing Forms W-2 Electronically - EFW2 (formally MMREF). To see what's new for this year as well as any changes for tax year 2007 please visit <http://www.socialsecurity.gov/employer/R07efw2.pdf>

Filing Information

Form W-2 information files sent in a machine readable form are due by March 31, 2008. All magnetic media filings must be sent to:

Massachusetts Department of Revenue
W-2 Magnetic Media Filing
PO Box 7084
Boston, Ma 02204

Courier or overnight mail must be sent to:

Massachusetts Department of Revenue
W-2 Magnetic Media Filing
Tape Library, 3rd Floor
200 Arlington Street
Chelsea, MA 02150

Form W-2s sent on paper with the accompanying form M-3 or form M-3M are due by February 28, 2008. They should be sent to:

Massachusetts Department of Revenue
Forms W-2
PO Box 7015
Boston, MA 02204

Extensions

Extensions of time to file may be requested in writing prior to February 28, 2008. Please include a fax number, the name of your organization's contact, and if possible, his or her e-mail address.

This will allow DOR to respond to your request more quickly.

Send your written requests to:

Massachusetts Department of Revenue
W-2 Extension Request
PO Box 7084
Boston, Ma 02204

Massachusetts Department of Revenue
W-4 Extension Request
PO Box 7032
Boston, Ma 02204

Corrections

W-2 corrections may be filed on paper regardless of number corrected. Send all corrected (W-2c) forms to:

Massachusetts Department of Revenue
W-2 Corrections
PO Box 7030
Boston, Ma 02204

Massachusetts Department of Revenue
Bank Match and 1099 Corrections
PO Box 7045
Boston, Ma 02204

Tape Specifications

Please use the following specifications when submitting files on magnetic media to the Department. Special codes and other requirements are the same as published in the SSA EFW2 Guide; e.g. State and Country codes.

Federal Data on File

DOR will not read or process any information, including federal information, in records that are not required or in those fields marked “Blank” in these specifications. (For required records, see Record Types for Massachusetts State Reporting, below.)

Money Fields

Money fields are always positive, include dollars and cents and have no punctuation (no dollar sign, no decimal point). Money fields are always right justified and zero filled to the left. (Example, if filling 11 positions, \$5,500.99 = 00000550099).

Multiple Tape Files

No multiple tape or cartridge files may be sent; each tape or cartridge must be submitted as a separate file. Each file must begin with a Code “RA” record and end with a Code “RF” record

Density

Acceptable densities for tape files may be 800, 1600 or 6250 characters per inch. Cartridges must be 38,000 characters per inch (SSA standard) and 18 track. Round tapes cannot exceed 9 tracks.

Internal Labels

Not required. Conform to SSA standards if you use internal labels, and make the proper indication on the MA Magnetic Media Transmitter Report filed with your report. Tapemarks. Conform to SSA standards.

Character Sets: Tape or cartridge:

ASCII is preferred, EBCDIC is acceptable. UPPER CASE LETTERS ONLY. Diskette: ASCII is required. UPPERCASE LETTERS ONLY.

Logical Record Length:

Each record must be 512 characters long.

Physical Records. All physical records must be the same length.

Blocking Factor. Blocking factor may not exceed 45 records per block. DOR prefers 45 logical records per block.

External Labels:

An external label must be present on each tape or cartridge and must contain the following information. Most of the data is contained in the CODE “RA” record, and must agree with it. Files submitted without an external label cannot be processed.

“ 2007 W-2 FILE” (or other year, if applicable).

CHARACTER SET (ASCII or EBCDIC)

BLOCKING FACTOR

EIN and NAME of the submitter

STREET ADDRESS, CITY, STATE, ZIP of the submitter.

NAME of the contact person

PHONE NUMBER of the contact person

Transmittal Form:

A DOR W-2 Magnetic Media Transmitter Report must accompany each magnetic media file. One is provided at the end of this Handbook. These forms may be photocopied, provided the affidavit and signature are included.

Records Retention:

Employers must retain the ability to generate magnetic media W-2 files for at least three years from the due date of the filing.

Terminating Business:

If you terminate your business during the year, file W-2s by the last day of the month that follows the due date of your final Massachusetts Employer’s Return of Income Taxes. Issue W-2 copies to employees by the due date of the final MA Form 941. Enter a “1” in the RE, Employer Record, position 26. To close your Massachusetts business registration contact the DOR’s Customer Service Bureau at 617-887-6367.

Record Types for State Reporting:

The following are the records required to be filed with Massachusetts MA DOR. Most of the required information is in the same record and location (or position) as found in the SSA EFW2.

“RA” Submitter Record

This is the first record on each file. RA records are required. The RA record identifies the organization submitting the file. This record is substantially the same as it is for the SSA EFW2.

Key fields must be filled in to pass validation: Submitter Name, EIN, Address, City, and State.

“RE” Employer Record

This record identifies the employer paying the wages for the employees in the later RS record. RE records are required.

Key fields must be filled in to pass validation: Employer FID, Name, Address, City, and State.

“RW” Federal Employee Records

These records are optional.

“RO” Employee Records

These records are optional

“RS” Employee State Record

These records are required. Be sure to only submit those RS Records that report state wages taxable by Massachusetts.

Key fields must be filled in to pass validation: Employee SSN, Last Name, Taxable Wages, and Withholding Tax

“RT” Total Employer Record

This record is required. Key fields must be filled in to pass validation: Total Number of “RS” or “RW” Records, Total State Taxable Wages, and Total State Withholding Tax. Please note: we have clarified some information with respect to the (RT) Total Employer Record. Please make sure to read this section labeled “RT” Total Employer Record carefully and follow instructions as listed to make sure your information is received properly.

Important Notice: Positions 10-24 in the Total Record (RT) should be the value equal to the sum of all state taxable wages in the Employee (RS) Record. The state taxable wages are located in the Employee Record (RS) positions 276-286. DOR adds all the wages for the Employees and matches that figure to what is on the Total Record (RT).

Positions 25 –39 in the Total Record (RT) should equal the sum of all the state tax withheld in the Employee Record (RS). The state tax withheld is located in the Employee Records (RS) positions 287-297.

“RU” Total Record

This record is optional.

“RF” Final Record

This record is optional.

"RV" Record

This record is optional

Frequently Asked Questions About Employee Wage Reporting and Record Retention

Which withholding records should employers retain?

Retained withholding records should include the following:

- § the name, address, occupation and social security number of each employee;
- § the amount and date of all payments of wages, the periods of services covered by such payments and the amount of taxes withheld;
- § Employees' statements of tips received;
- § Employees' withholding exemption certificates (forms W-4 and M-4);
- § Employer's copies of employees' Wage and Tax Statements (form W-2); and
- § Copies of all withholding returns filed with the Department of Revenue.

How long should withholding records be kept?

It is the employer's responsibility to retain all records pertaining to withholding for at least three years after the date the return was filed or the date it was required to be filed, whichever is later. There is no limitation on the period for which DOR may request records if an employer failed to file a return or filed false or fraudulent returns. Further information about retaining records is available in Regulation 830 CMR 62C.25.1, Records retention. To obtain a copy, please call either DOR's Rulings and regulations bureau at (617) 626-3250 or DOR's Fax on Demand system at (617) 887-1900, using the handset and the keypad on your fax machine, and entering document number 2604.

Most Frequently Encountered File Problems with W-2 Magnetic Media Files

Below are the most frequently encountered problems with W-2 magnetic media files submitted to the Department of Revenue. These problems require correction and a replacement file.

§ Non Numeric characters and/or blanks or spaces found in Numeric-only fields.

Submitter Identification Number, Code RA Submitter Record

Employer Identification Number, Code RE Employer Record

Employee Social Security Number, Code RS State Record

If a non-numeric character and/or blank or space is found in one of the above fields, the file will be returned to the submitter for correction.

§ The file submitted does not contain a Code RS State Record.

The Code RS Record contains required Massachusetts income and withholding data.

§ The file does not conform to the Massachusetts EFW2 file specification.

These W-2 specifications are based on the SSA EFW2, but contain changes for Massachusetts. The SSA TIB-4 is no longer acceptable for filing Form W-2 data.

§ The magnetic media label is missing or is incomplete.

Without proper identification and labeling, magnetic media cannot be processed.

§ Incorrect Code RT Record Programming

The Massachusetts Code RT Total Record totals only the amounts reported in the Code RS State Record.

Many filers incorrectly enter totals from the SSA Code RW Wage Record, which is not required for Massachusetts W-2 reporting.

§ Incorrect Code RT Record Totals

DOR totals each field in your RS State Record, and found the figures do not match the totals you entered in your RT Total Record.

CODE RA - Submitter Record

Location	Field	Length	Comments
1-2	Record Identifier	2	Constant “RA”
3-11	Submitter’s Employer Identification Number (EIN)	9	Enter the submitter’s EIN. This EIN should match the EIN on the external label.
12-28	Blank	17	Fill with blanks
29	Resubmission Indicator	1	Enter a “1” if this file is being resubmitted. Otherwise, enter a “0”.
30-37	Blank	8	Fill with blanks.
38-94	Company Name	57	Enter the name of the company to receive EFW2 annual filing instructions. Left justify and fill with blanks.
95-116	Location Address	22	Enter the company’s location address (Attention, Suite, Room Number, etc.) Left justify and fill with blanks.
117-138	Delivery Address	22	Enter the company’s city. Left justify and fill with blanks.
139-160	City	22	Enter the company’s city. Left justify and fill with blanks. For a foreign address, fill with blanks.
161-162	State Abbreviation	2	Enter the company’s state. For a foreign address, fill with blanks.
163-167	Zip Code	5	Enter the company’s Zip code. For a foreign address, fill with blanks.
168-171	Zip Code Extension	4	Enter the company’s four-digit extension of the Zip Code. If not applicable, or for a foreign address, fill with blanks.
172-176	Blank	5	Fill with blanks
177-199	Foreign State/Province	23	Enter the submitter’s foreign state/province, if not applicable, fill with blanks.
200-214	Foreign Postal Code	15	Enter the submitter’s foreign postal code, if not applicable, fill with blanks.
215-216	Foreign Country Code	2	Enter the submitter’s foreign county code (appendix G), if not applicable, fill with blanks.
217-273	Submitter Name	57	Enter the name of the organization to receive notification of unprocessable date. Left justify and fill with blanks.
274-295	Location Address	22	Enter the submitter’s location address (Attention Suite, Room Number, etc.) Left justify and fill with blanks.
296-317	Delivery Address	22	Enter the submitter’s delivery address (street or Post Office Box). Left justify and fill with blanks.

318-339	City	22	Enter the submitter's city. Left justify and fill with blanks.
340-341	State Abbreviation	2	Enter the submitter's state. Use a postal abbreviation as shown in appendix A EFW2. For a foreign address fill with blanks.
342-346	Zip Code	5	Enter the submitter's Zip Code. For foreign address fill with blanks.
347-350	Zip code Extension	4	Enter the submitter's four-digit extension of the Zip Code. If not applicable, fill with blanks.
351-395	Blank	45	Fill with blanks.
396-422	Contact Name	27	Enter the name of the person to be contacted by SSA concerning processing problems. Left justify and fill with blanks.
423-437	Contact Phone Number	15	Enter the contact's telephone number (including the area Code. Left justify and fill with blanks.
438-442	Contact Phone Extension	5	Enter the contact's telephone extension. Left justify and fill with blanks.
443-445	Blank	3	Fill with blanks
446-485	Contact E-Mail	40	If applicable, enter the contact's electronic mail or Internet address. Left justify and fill with blanks. Otherwise, fill with blanks.
486-488	Blank	3	Fill with blanks
489-498	Contact Fax	10	(For U.S. and U.S Territories Only) If applicable enter the contact's Fax # (including area code.) Otherwise, fill with blanks.
499-512	Blank	14	Fill with blanks

CODE RE - Employer Record

Please note the instruction for the Employer Name in location 40-96. These instructions differ from the SSA EFW2.

Location	Field	Length	Comments
1-2	Record Identifier	2	Constant "RE"
3-6	Tax Year	4	Enter the tax year for this report. Enter NUMERIC characters only.
7	Agent Indicator Code	1	If applicable, enter one of the following codes "1" 2678 agent "2" Common Pay Master Otherwise fill with blanks.
8-16	Employer/Agent Employer Identification Number (EIN)	9	If you entered a code in the Agent Indicator Code field (position 7) enter your Agent EIN. Otherwise, enter your Employer EIN.
17-25	Agent for EIN	9	If you entered a "1" in the Agent Indicator Code field, (position 7) enter the Employer's EIN for which you are an Agent. Otherwise, fill with blanks.
26	Terminating Business Indicator	1	Enter "1" if you have terminated your business during this tax year. Otherwise, enter "0".
27-30	Blank	4	Leave blank
31-39	Other EIN	9	For this tax year, if you submitted W2 data to DOR and you used an EIN different from the EIN in location 8-16 enter the other EIN. Otherwise leave blank.
40-96	Employer Name	57	If you entered a "1" in location 7, agent Indicator Code field, enter the Employer name associated with the EIN in location 17-25. If you entered a "2" in location 7, enter the Employer name associated with the EIN in location 8-16. If you entered a "blank" in location 7, enter the Employer name associated with the EIN in location 8-16.
97-118	Location Address	22	Enter the employer's location address (Attention, suite, Room Number, etc.). Left justify and fill with blanks.

119-140	Delivery Address	22	Enter the employer's mailing address (Street or Post Office box). Left justify and fill with blanks.
141-162	City	22	Enter the employer's city. Left justify and fill with blanks. For a foreign address, fill with blanks.
163-164	State Abbreviation	2	Enter the employer's state. Use a postal abbreviation as shown in Appendix A of EFW2. For a foreign address, fill with blanks.
165-169	Zip code	5	Enter the employer's zip code. For a foreign address fill with blanks.
170-173	Zip Code Extension	4	Enter the employer's four-digit extension zip code extension. For a foreign address, fill with blanks.
174-178	Blanks	5	
179-201	Foreign State/Province	23	Enter the employer's foreign state/province, if not applicable, fill with blanks.
202-216	Foreign Postal Code	15	Enter the employer's foreign postal code, if not applicable, fill with blanks.
217-218	Country Code	2	Enter the employer's foreign country code (appendix G), if not applicable, fill with blanks.
219	Employment Code	1	"A" Agriculture "H" Household "M" Military "Q" Medicare Qualified Government Employment "X" railroad "R" Regular (All others)
220-512	Blank	293	Fill with blanks

CODE RS - State Record

Location	Field	Length	Comments
1-2	Record Identifier	2	Constant "RS"
3-4	State code	2	"25" for MA
5-9	Blank	5	Leave 5 blank
10-18	Social Security number (SSN)	9	Enter the employee's social security number as shown on the original/replacement SSN card issued by the SSA. If SSN not available, enter zeroes.
19-33	Employee First Name	15	Enter the employee's first name as shown on the social security card. Left justify and fill with blanks.
34-48	Employee Middle Name or Initial	15	If applicable, enter the employee's middle name or initial exactly as shown on the social security card. Left justify and fill with blanks. Otherwise, fill with blanks.
49-68	Employee Last Name	20	Enter the employee's last name as shown on the social security card. Left justify and fill with blanks.
69-72	Name Suffix	4	If applicable, enter the employee's alphabetic suffix. For example: SR. JR. Left justify and fill with blanks.
73-94	Location Address	22	Enter the employee's location address (Attention, Suite, Room Number, etc.). Left justify and fill with blanks.
95-116	Delivery Address	22	Enter the employee's address. Left justify and fill with blanks.
117-138	City	22	Enter the employee's city. Left justify and fill with blanks.
139-140	State Abbreviation	2	Enter the employee's state.
141-145	Zip Code	5	Enter the employee's zip code. For foreign address, fill with blanks.
146-149	Zip Code Extension	4	Enter the employee's four-digit extension of the Zip Code. If not applicable, fill with blanks.

150-273	Blank	124	Fill with blanks
274-275	State Code	2	Enter the numeric code for the State for which income taxes were withheld from the wages in position 276-286. (25) for Massachusetts.
276-286	State Taxable Wages	11	Right justify and zero fill. (see note 1 below).
287-297	State Income Tax Withheld	11	Right justify and zero fill. (see note 1 below).
298-337	Blank	40	Leave blank
338-348	Blank	11	Leave blank
349-359	Blank	11	Leave blank
360-370	Blank	11	Leave blank
371-512	Blank	142	Leave blank

Note 1: The following applies to an employee who has only Massachusetts taxable wages and is subject only to Massachusetts income tax withholding.

The amount entered in positions 276-286, State Taxable Wages, should match the amount in Box 16 of the Form W2 issued to the employee.

The amount in positions 287-297, State Income Tax Withheld, should match the amount in Box 17 of the Form W-2 issued to the employee.

The following applies to an employee whose wages were taxable in Massachusetts for only a PART of the year:

The amount in positions 276-286, State Taxable Wages, should be the amount taxable ONLY in Massachusetts. Do not include any amounts not taxable to Massachusetts. **EXAMPLE :** an employee was transferred to Massachusetts from Idaho and began working in Massachusetts on October 1. You would report only the wages for October, November, and December in the State Taxable Wages field.

The amount in positions 287-297, State Income Taxes Withheld, should be the amount withheld only for Massachusetts income tax. Do not include any amounts withheld for other states.

CODE RT –Total Record

The Massachusetts Code RT Total Record totals amounts only from the Code RS State Record. Do not use this record total amounts found in the federal RW Wage Record.

Location	Field	Length	Comments
1-2	Record Identifier	2	Constant “RT”
3-9	Number of RS Records	7	Code RS records reported since the last employer record (Code RE). Right justify and zero fill.
10-24	State Taxable Wages	15	Enter the total for all employee records (Code RS) reported (Code RE). Right justify and zero fill.
25-39	State Income Tax Withheld	15	Enter the total for all employee records (Code RS) reported since the last employer record (Code RE). Right justify and zero fill.
40-84	Blank	45	Blank
85-99	Blank	15	Blank
100-114	Blank	15	Blank
115-129	Blank	15	Blank
130-512	Blank	383	Blank

CODE RF - Final Record

Location	Field	Length	Comments
1-2	Record Identifier	2	Constant “RF”
3-7	Blank	5	Fill with blanks
8-16	Number of RS Records	9	Enter the total number of Code RW records reported on the entire file. Right justify and zero fill.
17-512	Blank	496	Fill with blanks

Form W-2

Magnetic Media Transmitter Report

Please print or type. For each type of media submitted, complete a separate Magnetic Media Transmitter Report. Mail all completed W-2 reports and media to: Massachusetts Department of Revenue, **W-2 Magnetic Media Filing**, P.O. Box 7084, Boston, MA 02204

Submitter/Transmitter Federal Identification Number: _____

YOUR TAPE CANNOT BE PROCESSED WITHOUT THE SUBMITTER FID NUMBER

Submitter name Contact Person

Street Contact Telephone Number

City/Town State Zip Code

☐ Check if your organization's address or name has changed since filing its last report.

Only the Massachusetts W-2 EFW2 format will be accepted.

1. Tax Year Filing: _____

2. Media Filed: ☐ 9-Track Magnetic Tape ☐ IBM 3480 Cartridge

3. Tape/Cartridge Magnetic Media Information. No zipped or compressed files.

Blocking Factor _____ (Do not exceed 45)

Format ☐ ASCII ☐ EBCDIC ☐ VMS Backup

Density ☐ 1600 BPI ☐ 6250 BPI ☐ 37,871 (36 Track not accepted)

Internal Label ☐ IBM Standard ☐ Unlabeled

Record Length is 512 bytes as required by the EFW2 format. THE TIB-4 based format is no longer acceptable.

4. Is the tape submitted a multiple reel file? ☐ YES ☐ NO

 If you checked "Yes," enter tape numbers of multiple reel files: _____ / _____
/ _____ / _____

5. What is the total number of employers reported? _____

6. What is the total number of employees reported? _____

7. Does your company currently file, or plan to file, Form W-2 Reports to the Social Security Administration via Electronic Data Transfer (EDT) or the Online Wage Reporting Service (OWRS)? ☐ Yes ☐ No

I declare I have examined this report and to the best of my knowledge and belief it is true, correct, and complete. _____

Signature

Title

Date

This form is the only tape documentation needed. Tape dumps and other reports are not required.